

procedures of the legislature with respect to the notice, introduction, and passage of this Act have been fulfilled and accomplished.

SECTION 4. (a) Section 3929.112, Special District Local Laws Code, as added by Section 1 of this Act, takes effect only if this Act receives a two-thirds vote of all the members elected to each house.

(b) If this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 3929, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 3929.112 to read as follows:

*Sec. 3929.112. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.*

(c) This section is not intended to be an expression of a legislative interpretation of the requirements of Section 17(c), Article I, Texas Constitution.

SECTION 5. This Act takes effect September 1, 2015.

Passed by the House on May 8, 2015: Yeas 142, Nays 0, 2 present, not voting; the House concurred in Senate amendments to H.B. No. 3605 on May 29, 2015: Yeas 143, Nays 0, 3 present, not voting; passed by the Senate, with amendments, on May 27, 2015: Yeas 30, Nays 1.

Filed without signature June 19, 2015.

Effective September 1, 2015.

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## USE OF HOTEL OCCUPANCY TAX REVENUES IN CERTAIN MUNICIPALITIES

### CHAPTER 979

H.B. No. 3615

#### AN ACT

**relating to the use of hotel occupancy tax revenues in certain municipalities.**

*Be it enacted by the Legislature of the State of Texas:*

SECTION 1. Section 351.101(a), Tax Code, as amended by Chapters 541 (S.B. 551) and 546 (S.B. 585), Acts of the 83rd Legislature, Regular Session, 2013, is reenacted and amended to read as follows:

(a) Revenue from the municipal hotel occupancy tax may be used only to promote tourism and the convention and hotel industry, and that use is limited to the following:

(1) the acquisition of sites for and the construction, improvement, enlarging, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers, or both;

(2) the furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants;

(3) advertising and conducting solicitations and promotional programs to attract tourists and convention delegates or registrants to the municipality or its vicinity;

(4) the encouragement, promotion, improvement, and application of the arts, including instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture, photography, graphic and craft arts, motion pictures, radio, television, tape and sound recording, and other arts related to the presentation, performance, execution, and exhibition of these major art forms;

(5) historical restoration and preservation projects or activities or advertising and conducting solicitations and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums:

(A) at or in the immediate vicinity of convention center facilities or visitor information centers; or

(B) located elsewhere in the municipality or its vicinity that would be frequented by tourists and convention delegates;

(6) for a municipality located in a county with a population of one million or less, expenses, including promotion expenses, directly related to a sporting event in which the majority of participants are tourists who substantially increase economic activity at hotels and motels within the municipality or its vicinity;

(7) subject to Section 351.1076, the promotion of tourism by the enhancement and upgrading of existing sports facilities or fields, including facilities or fields for baseball, softball, soccer, ~~and~~ flag football, *and rodeos*, if:

(A) the municipality owns the facilities or fields;

(B) the municipality:

(i) has a population of 80,000 or more and is located in a county that has a population of 350,000 or less;

(ii) has a population of at least 75,000 but not more than 95,000 and is located in a county that has a population of less than 200,000 but more than 160,000;

(iii) has a population of at least 36,000 but not more than 39,000 and is located in a county that has a population of 100,000 or less that is not adjacent to a county with a population of more than two million;

(iv) has a population of at least 13,000 but less than 39,000 and is located in a county that has a population of at least 200,000;

(v) has a population of at least 70,000 but less than 90,000 and no part of which is located in a county with a population greater than 150,000;

(vi) is located in a county that:

(a) is adjacent to the Texas–Mexico border;

(b) has a population of at least 500,000; and

(c) does not have a municipality with a population greater than 500,000;

(vii) has a population of at least 25,000 but not more than 26,000 and is located in a county that has a population of 90,000 or less; ~~or~~

(viii) has a population of at least 7,500 and is located in a county that borders the Pecos River and that has a population of not more than 15,000;

(ix) ~~(viii)~~ is located in a county that has a population of not more than 300,000 and in which a component university of the University of Houston System is located; *or*

*(x) has a population of at least 40,000 and the San Marcos River flows through the municipality; and*

(C) the sports facilities and fields have been used, in the preceding calendar year, a combined total of more than 10 times for district, state, regional, or national sports tournaments;

(8) for a municipality with a population of at least 70,000 but less than 90,000, no part of which is located in a county with a population greater than 150,000, the construction, improvement, enlarging, equipping, repairing, operation, and maintenance of a coliseum or multiuse facility;

(9) signage directing the public to sights and attractions that are visited frequently by hotel guests in the municipality;

(10) the construction of a recreational venue in the immediate vicinity of area hotels, if:

(A) the municipality:

(i) is a general-law municipality;

- (ii) has a population of not more than 900; and
- (iii) does not impose an ad valorem tax;
- (B) not more than \$100,000 of municipal hotel occupancy tax revenue is used for the construction of the recreational venue;
- (C) a majority of the hotels in the municipality request the municipality to construct the recreational venue;
- (D) the recreational venue will be used primarily by hotel guests; and
- (E) the municipality will pay for maintenance of the recreational venue from the municipality's general fund;
- (11) the construction, improvement, enlarging, equipping, repairing, operation, and maintenance of a coliseum or multiuse facility, if the municipality:
  - (A) has a population of at least 90,000 but less than 120,000; and
  - (B) is located in two counties, at least one of which contains the headwaters of the San Gabriel River; and
- (12) for a municipality with a population of more than 175,000 but less than 225,000 that is located in two counties, each of which has a population of less than 200,000, the construction, improvement, enlarging, equipping, repairing, operation, and maintenance of a coliseum or multiuse facility and related infrastructure or a venue, as defined by Section 334.001(4), Local Government Code, that is related to the promotion of tourism.

SECTION 2. Section 351.101, Tax Code, is amended by adding Subsection (k) to read as follows:

*(k) In addition to other authorized uses, a municipality that is intersected by both State Highways 71 and 95 may use revenue from the municipal hotel occupancy tax for the promotion of tourism by the enhancement and upgrading of an existing sports facility or field as specified by Subsection (a)(7), provided that the requirements of Subsections (a)(7)(A) and (C) are met.*

SECTION 3. To the extent of any conflict, this Act prevails over another Act of the 84th Legislature, Regular Session, 2015, relating to nonsubstantive additions to and corrections in enacted codes.

SECTION 4. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.

Passed by the House on May 12, 2015: Yeas 138, Nays 6, 2 present, not voting; the House refused to concur in Senate amendments to H.B. No. 3615 on May 28, 2015, and requested the appointment of a conference committee to consider the differences between the two houses; the House adopted the conference committee report on H.B. No. 3615 on May 31, 2015: Yeas 118, Nays 20, 2 present, not voting; passed by the Senate, with amendments, on May 26, 2015: Yeas 31, Nays 0; at the request of the House, the Senate appointed a conference committee to consider the differences between the two houses; the Senate adopted the conference committee report on H.B. No. 3615 on May 31, 2015: Yeas 29, Nays 2.

Filed without signature June 19, 2015.

Effective June 19, 2015.